(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Finds that: (1) Citizens demand and deserve accountability of public programs and activities. Public programs must continuously improve accountability and performance reporting in order to increase public trust.

- (2) Washington state government agencies must continuously improve their management and performance so citizens receive maximum value for their tax dollars.
- (3) The application of best practices in performance management has improved results and accountability in many Washington state agencies and other jurisdictions.
- (4) All Washington state agencies must develop a performance-based culture that can better demonstrate accountability and achievement.

Provides that each state agency shall, within available funds, develop and implement a quality management, accountability, and performance system to improve the public services it provides.

Requires state agencies whose chief executives are appointed by the governor to report to the governor on agency performance at least quarterly.

Directs the governor to report annually to citizens on the performance of state agency programs. The governor's report shall include: (1) Progress made toward the priorities of government as a result of agency activities; and

(2) Improvements in agency quality management systems, fiscal efficiency, process efficiency, asset management, personnel management, statutory and regulatory compliance, and management of technology systems.

Provides that, starting no later than 2008, and at least once every three years thereafter, each agency shall apply to the Washington state quality award, or similar organization, for an independent assessment of its quality management, accountability, and performance system.

Requires the senate and house of representatives to each develop and implement quality improvement programs as described under this act by June 30, 2005, and shall report the results of these efforts to the leadership of each major political party caucus within its respective house.

Encourages the supreme court to develop and implement quality improvement programs, as described under this act, for the judicial branch of government, by June 30, 2005, and shall report the results of these efforts to the chief justice. The programs may be implemented directly by the supreme court or may be delegated to the administrator for the courts.